

Hawaii Economic Update

January 28, 2016

Summary

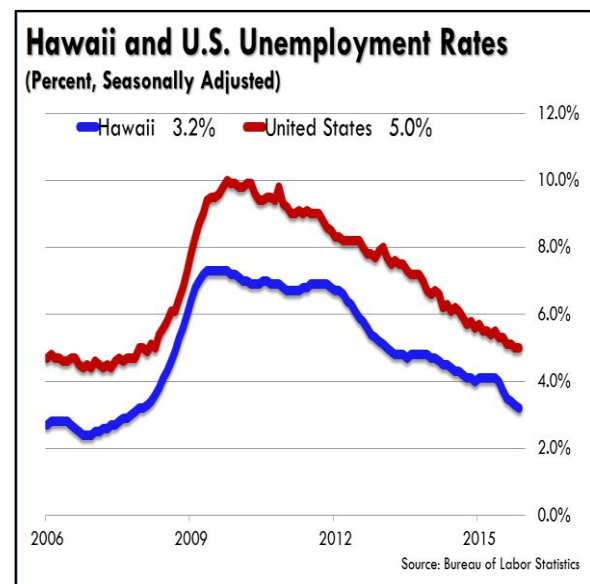
Nonfarm payroll employment in Hawaii increased by 3,600 jobs and the unemployment rate fell to 3.2 percent in December according to data released by the Bureau of Labor Statistics (BLS).

Hawaii Unemployment Rate

During December, the unemployment rate in Hawaii fell to 3.2 percent. The number of people counted as unemployed increased by 100 in December to 22,200, while the labor force increased by 3,000 to 682,800. Hawaii's unemployment rate stood at 4.0 percent a year prior.

The 10-year peak for the unemployment rate in Hawaii was 7.3 percent in October 2009. The series high for the unemployment rate in Hawaii occurred in January 1976 when the unemployment rate reached 10.4 percent. The 10-year low for the unemployment rate in Hawaii was 2.4 percent in December 2006, which also represents the series low. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 5.0 percent in December. December's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2006.



Hawaii Payroll Employment

Hawaii nonfarm payrolls increased by 3,600 jobs, or 0.6 percent, on a seasonally adjusted basis during December. In the prior month, nonfarm payrolls increased by 300. Over the past 12 months nonfarm payrolls in Hawaii increased by 15,700, or 2.5 percent. Hawaii nonfarm payroll employment has increased in 9 of the past 12 months.

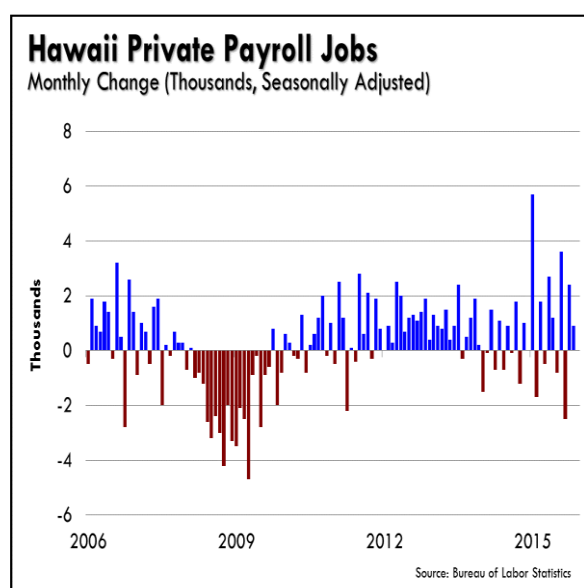
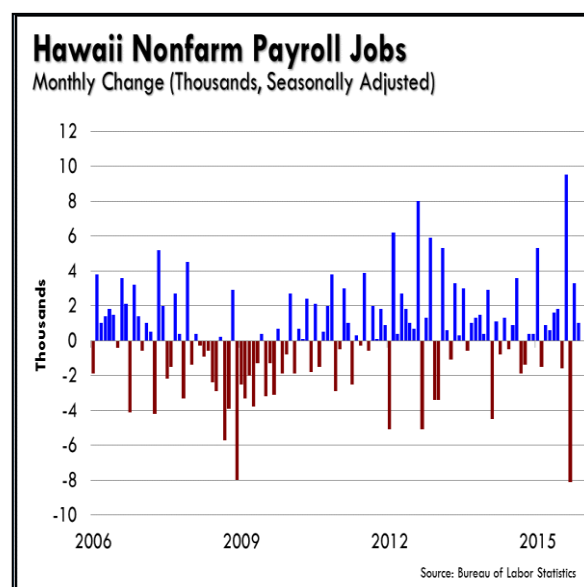
Nationally nonfarm payrolls rose by 292,000 in December, or 0.21 percent. Over the 12-month period ending in December 2015 nonfarm payrolls have increased by 2,650,000 jobs, or 1.9 percent.

During December, Hawaii private-sector payrolls increased by 2,800, or 0.5 percent. Private-sector payrolls increased by 400 jobs in the prior month. Over the past 12 months, private-sector payrolls in Hawaii increased by 15,100, or 3.0 percent. Hawaii private-sector payroll employment has increased in 8 of the past 12 months.

Nationally, private-sector payroll jobs increased by 275,000 in December, or 0.23 percent. Over the past 12 months, the nation's economy has added 2,551,000 jobs in the private sector, an increase of 2.1 percent.

During December, total government payroll employment in Hawaii increased by 800, or 0.6 percent. Federal government payroll employment remained unchanged. State government payroll employment increased by 700, or 1.0 percent, while local government payroll employment increased by 100, or 0.5 percent.

Over the past year, total government payroll employment increased by 600, or 0.5 percent. State government payroll employment increased by 600, or 0.8 percent, while local government payroll employment remained unchanged.



The best performing sectors on a seasonally adjusted basis during December were Leisure and Hospitality (+900) and Government (+800). The poorest performing sectors during the month were Trade, Transportation, and Utilities (-200) and Manufacturing (+0).

The best performing sectors during the last twelve months were Construction (+4,800) and Leisure and Hospitality (+3,000). The poorest performing sectors for the year were Manufacturing (+0) and Financial Activities (+400).

Other Hawaii Labor Force Statistics

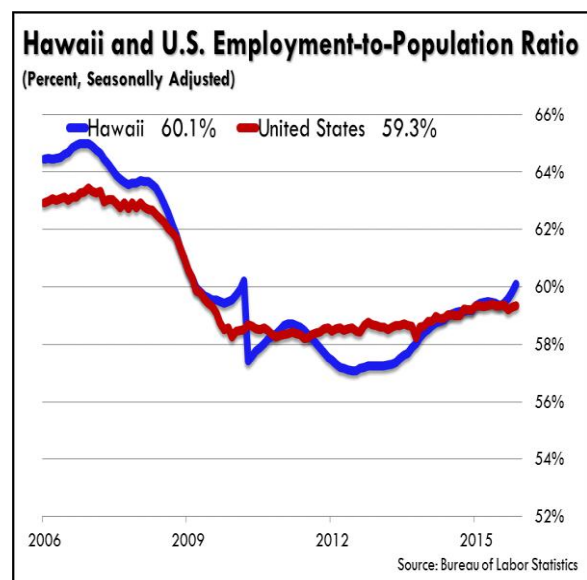
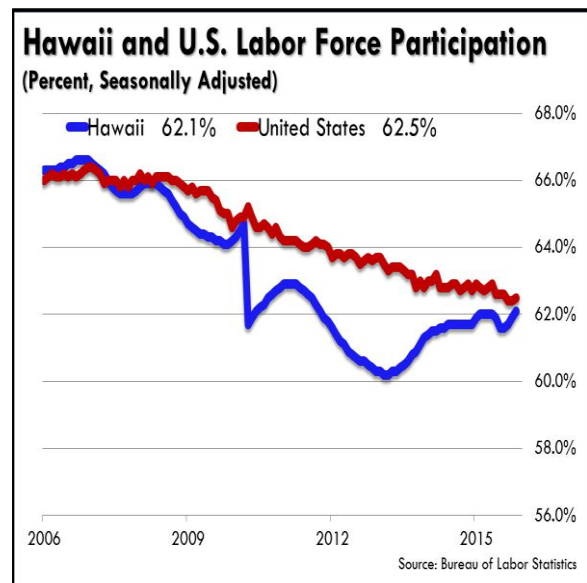
The labor force participation rate in Hawaii increased to 62.3 percent in December. The labor force participation rate in Hawaii is up from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Hawaii was 66.6 percent in December 2006. The series high for the labor force participation rate in Hawaii occurred in January 1976, when the labor force participation rate hit 69.9 percent. The 10-year low for the labor force participation rate was 60.2 percent in March 2013, which also represents the series low.

The national labor force participation rate increased to 62.6 percent in December. That rate was 0.1 percentage point lower than a year earlier. At 62.6 percent, the labor force participation rate remains near its post-recession low.

The employment-to-population ratio, or the percentage of the Hawaii civilian noninstitutionalized population 16 years and older counted as employed, increased to 60.3 percent in December.

The 10-year high for the employment-to-population ratio in Hawaii was 65.0 percent in December 2006. The series high for the employment-to-population ratio in Hawaii occurred in May 1991 when the employment-to-population ratio hit 67.3 percent. The 10-



year and series low for the employment-to-population ratio was 57.1 percent in June 2012.

The national employment-to-population ratio rose by 0.1 percentage point to 59.5 percent in December. That rate was 0.3 percentage point higher than a year earlier, and 0.1 percentage point higher than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for January is scheduled for release on March 14th. The national employment situation report for January will be released on Friday, February 5th.